

AMENDED IN SENATE APRIL 22, 2009

AMENDED IN SENATE APRIL 2, 2009

**SENATE BILL**

**No. 261**

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**Introduced by Senators Dutton and Ducheny**  
**(~~Coauthor: Senator Hollingsworth~~ *Coauthors: Senators Correa and Hollingsworth*)**

February 24, 2009

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An act to amend Section 10631 of, and to add Chapter 5 (commencing with Section 10660) to Part 2.6 of Division 6 of, the Water Code, relating to water use.

LEGISLATIVE COUNSEL'S DIGEST

SB 261, as amended, Dutton. Water use.

(1) Existing law requires the Department of Water Resources to convene an independent technical panel to provide information to the department and the Legislature on new demand management measures, technologies, and approaches. "Demand management measures" means those water conservation measures, programs, and incentives that prevent the waste of water and promote the reasonable and efficient use and reuse of available supplies. Existing law requires urban water suppliers to prepare and adopt urban *water* management plans with specified components.

This bill would require an urban water supplier to develop and implement a *water use efficiency and efficient water resources management* plan ~~that will~~ to reduce residential potable water use in a specified manner or achieve extraordinary water use efficiency, *as defined*. ~~The bill would require an urban water supplier, or a regional water management group acting on its behalf, to develop and implement a plan to achieve a sustainable level of water use by 2020.~~ The urban

water supplier or the regional water management group, as applicable, would be required to report its progress towards achieving *these a prescribed water use efficiency requirements and efficient water resources management target* in specified documents.

~~The bill would enact the Comprehensive Urban Water Efficiency Act of 2009. The bill would require the department, in cooperation with other state agencies, to jointly develop and manage a water use information program referred to as the California Water Supply Database. The department would be required to complete the development of the database by January 1, 2012. Each urban water supplier, beginning no later than March 1, 2011, would be required to collect prescribed water use information and submit that information to the department. The bill would require the urban water supplier to submit a certification, executed under penalty of perjury, attesting to the accuracy of the information submitted. By expanding the scope of the crime of perjury, the bill would impose a state-mandated local program by creating a new crime. The bill would require an urban water supplier to pay an annual fee, not to exceed \$5,000, that is consistent with applicable legal requirements and imposed by the department.~~

~~The bill would require each urban water supplier to adopt and commence the implementation of specified best management practices by December 21, 2012. The State Water Resources Control Board and the department, by April 1, 2010, would be required to convene a task force consisting of experts to develop best management practices for the commercial, industrial, and institutional sector.~~

~~(2) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.~~

~~This bill would provide that no reimbursement is required by this act for a specified reason.~~

~~The bill would enact the Comprehensive Urban Water Efficiency Act of 2009. The bill would authorize a regional water management group, on behalf of its member urban water suppliers and with the consent of those members, to submit specified water use efficiency information that is required to be included in an urban water management plan. The State Water Resources Control Board and the department, under specified circumstances, would be required to award preference points to a regional water management group in connection with the administration of certain competitive grant programs. The board and the department, not later than April 1, 2010, would be required to~~

*convene a task force to develop best management practices for commercial, industrial, and institutional water uses for the purpose of achieving a specified reduction in water use by 2020.*

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: ~~yes~~-no.

*The people of the State of California do enact as follows:*

1 SECTION 1. Section 10631 of the Water Code is amended to  
2 read:

3 10631. A plan shall be adopted in accordance with this chapter  
4 and shall do all of the following:

5 (a) Describe the service area of the supplier, including current  
6 and projected population, climate, and other demographic factors  
7 affecting the supplier's water management planning. The projected  
8 population estimates shall be based upon data from the state,  
9 regional, or local service agency population projections within the  
10 service area of the urban water supplier and shall be in five-year  
11 increments to 20 years or as far as data is available.

12 (b) Identify and quantify, to the extent practicable, the existing  
13 and planned sources of water available to the supplier over the  
14 same five-year increments described in subdivision (a). If  
15 groundwater is identified as an existing or planned source of water  
16 available to the supplier, all of the following information shall be  
17 included in the plan:

18 (1) A copy of any groundwater management plan adopted by  
19 the urban water supplier, including plans adopted pursuant to Part  
20 2.75 (commencing with Section 10750), or any other specific  
21 authorization for groundwater management.

22 (2) A description of any groundwater basin or basins from which  
23 the urban water supplier pumps groundwater. For those basins for  
24 which a court or the board has adjudicated the rights to pump  
25 groundwater, a copy of the order or decree adopted by the court  
26 or the board and a description of the amount of groundwater the  
27 urban water supplier has the legal right to pump under the order  
28 or decree. For basins that have not been adjudicated, information  
29 as to whether the department has identified the basin or basins as  
30 overdrafted or has projected that the basin will become overdrafted  
31 if present management conditions continue, in the most current  
32 official departmental bulletin that characterizes the condition of

1 the groundwater basin, and a detailed description of the efforts  
2 being undertaken by the urban water supplier to eliminate the  
3 long-term overdraft condition.

4 (3) A detailed description and analysis of the location, amount,  
5 and sufficiency of groundwater pumped by the urban water supplier  
6 for the past five years. The description and analysis shall be based  
7 on information that is reasonably available, including, but not  
8 limited to, historic use records.

9 (4) A detailed description and analysis of the amount and  
10 location of groundwater that is projected to be pumped by the  
11 urban water supplier. The description and analysis shall be based  
12 on information that is reasonably available, including, but not  
13 limited to, historic use records.

14 (c) (1) Describe the reliability of the water supply and  
15 vulnerability to seasonal or climatic shortage, to the extent  
16 practicable, and provide data for each of the following:

17 (A) An average water year.

18 (B) A single dry water year.

19 (C) Multiple dry water years.

20 (2) For any water source that may not be available at a consistent  
21 level of use, given specific legal, environmental, water quality, or  
22 climatic factors, describe plans to supplement or replace that source  
23 with alternative sources or water demand management measures,  
24 to the extent practicable.

25 (d) Describe the opportunities for exchanges or transfers of  
26 water on a short-term or long-term basis.

27 (e) (1) Quantify, to the extent records are available, past and  
28 current water use, over the same five-year increments described  
29 in subdivision (a), and projected water use, identifying the uses  
30 among water use sectors, including, but not necessarily limited to,  
31 all of the following uses:

32 (A) Single-family residential.

33 (B) Multifamily.

34 (C) Commercial.

35 (D) Industrial.

36 (E) Institutional and governmental.

37 (F) Landscape.

38 (G) Sales to other agencies.

39 (H) Saline water intrusion barriers, groundwater recharge, or  
40 conjunctive use, or any combination thereof.

1 (I) Agricultural.

2 (2) The water use projections shall be in the same five-year  
3 increments described in subdivision (a).

4 (f) Provide a description of the supplier's water demand  
5 management measures. This description shall include all of the  
6 following:

7 (1) A description of each water demand management measure  
8 that is currently being implemented, or scheduled for  
9 implementation, including the steps necessary to implement any  
10 proposed measures, including, but not limited to, all of the  
11 following:

12 (A) Water survey programs for single-family residential and  
13 multifamily residential customers.

14 (B) Residential plumbing retrofit.

15 (C) System water audits, leak detection, and repair.

16 (D) Metering with commodity rates for all new connections and  
17 retrofit of existing connections.

18 (E) Large landscape conservation programs and incentives.

19 (F) High-efficiency washing machine rebate programs.

20 (G) Public information programs.

21 (H) School education programs.

22 (I) Conservation programs for commercial, industrial, and  
23 institutional accounts.

24 (J) Wholesale agency programs.

25 (K) Conservation pricing.

26 (L) Water conservation coordinator.

27 (M) Water waste prohibition.

28 (N) Residential ultra-low-flush toilet replacement programs.

29 (2) A schedule of implementation for all water demand  
30 management measures proposed or described in the plan.

31 (3) A description of the methods, if any, that the supplier will  
32 use to evaluate the effectiveness of water demand management  
33 measures implemented or described under the plan.

34 (4) An estimate, if available, of existing conservation savings  
35 on water use within the supplier's service area, and the effect of  
36 the savings on the supplier's ability to further reduce demand.

37 (g) An evaluation of each water demand management measure  
38 listed in paragraph (1) of subdivision (f) that is not currently being  
39 implemented or scheduled for implementation. In the course of  
40 the evaluation, first consideration shall be given to water demand

1 management measures, or combination of measures, that offer  
2 lower incremental costs than expanded or additional water supplies.  
3 This evaluation shall do all of the following:

4 (1) Take into account economic and noneconomic factors,  
5 including environmental, social, health, customer impact, and  
6 technological factors.

7 (2) Include a cost-benefit analysis, identifying total benefits and  
8 total costs.

9 (3) Include a description of funding available to implement any  
10 planned water supply project that would provide water at a higher  
11 unit cost.

12 (4) Include a description of the water supplier's legal authority  
13 to implement the measure and efforts to work with other relevant  
14 agencies to ensure the implementation of the measure and to share  
15 the cost of implementation.

16 (h) Include a description of all water supply projects and water  
17 supply programs that may be undertaken by the urban water  
18 supplier to meet the total projected water use as established  
19 pursuant to subdivision (a) of Section 10635. The urban water  
20 supplier shall include a detailed description of expected future  
21 projects and programs, other than the demand management  
22 programs identified pursuant to paragraph (1) of subdivision (f),  
23 that the urban water supplier may implement to increase the amount  
24 of the water supply available to the urban water supplier in average,  
25 single dry, and multiple dry water years. The description shall  
26 identify specific projects and include a description of the increase  
27 in water supply that is expected to be available from each project.  
28 The description shall include an estimate with regard to the  
29 implementation timeline for each project or program.

30 (i) Describe the opportunities for development of desalinated  
31 water, including, but not limited to, ocean water, brackish water,  
32 and groundwater, as a long-term supply.

33 (j) Urban water suppliers that are members of the California  
34 Urban Water Conservation Council and submit annual reports to  
35 that council in accordance with the "Memorandum of  
36 Understanding Regarding Urban Water Conservation in  
37 California," dated September 1991, may submit the annual reports  
38 identifying water demand management measures currently being  
39 implemented, or scheduled for implementation, to satisfy the  
40 requirements of subdivisions ~~(f) and (g)~~ (f), (g), and (l).

(k) Urban water suppliers that rely upon a wholesale agency for a source of water shall provide the wholesale agency with water use projections from that agency for that source of water in five-year increments to 20 years or as far as data is available. The wholesale agency shall provide information to the urban water supplier for inclusion in the urban water supplier's plan that identifies and quantifies, to the extent practicable, the existing and planned sources of water as required by subdivision (b), available from the wholesale agency to the urban water supplier over the same five-year increments, and during various water-year types in accordance with subdivision (c). An urban water supplier may rely upon water supply information provided by the wholesale agency in fulfilling the plan informational requirements of subdivisions (b) and (c).

~~(l) (1) Each urban water supplier or, upon resolution of its governing board submitted to the department, each regional water management group acting on behalf of the urban water suppliers within the group's boundaries, shall develop and implement a plan that will accomplish one or more of the following:~~

~~(A) Reduce single-family residential per capita potable water use by 20 percent as compared to water use in 2000.~~

~~(B) Reduce total residential potable water use by a total of 20 percent as compared to the 2020 projection in the agency's 2005 urban water management plan, which reduction shall include water conservation measures included in the 2005 urban water management plan.~~

~~(C) Achieve extraordinary water use efficiency, as defined in subdivision (c) of Section 10672.~~

~~(2) The plan shall include interim milestones for each even-numbered year for progress towards achieving the 2020 target.~~

~~(3) Each reporting agency shall report its progress towards the 2020 water use efficiency target as part of the annual submission of data pursuant to Section 10671 and in its urban water management plan.~~

~~(4) Each reporting agency may evaluate progress in implementing the plan by using the metrics it deems most appropriate for its circumstances.~~

~~(m) (1) Each urban water supplier or, upon resolution of its governing board submitted to the department, each regional water~~

1 management group acting on behalf of the urban water suppliers  
2 within the group's boundaries, shall develop and implement a plan  
3 to achieve a sustainable level of water use by 2030, as defined in  
4 Section 10670.

5 (2) The plan shall include interim milestones for each  
6 even-numbered year for progress towards achieving the 2030  
7 target.

8 (3) Each reporting agency shall report its progress towards the  
9 water use efficiency target as part of the annual submission of data  
10 pursuant to Section 10671 and in its urban water management plan.

11 (4) Each reporting agency may evaluate progress in  
12 implementing the plan by using the metrics it deems most  
13 appropriate for its circumstances.

14 SEC. 2. Chapter 5 (commencing with Section 10660 is added  
15 to Part 2.6 of Division 6 of the Water Code, to read:

16 -

17 Chapter 5. Urban Water Efficiency

18 -

19 10660. This chapter shall be known and may be cited as the  
20 Comprehensive Urban Water Efficiency Act of 2009.

21 10661. In enacting this chapter, the Legislature intends to  
22 accomplish all of the following purposes and this chapter is to be  
23 liberally construed to achieve these purposes:

24 (a) To increase urban and residential water use efficiency in  
25 California so as to improve water supply reliability in light of  
26 periodic drought and population growth.

27 (b) To encourage the efficient use of local sources of water,  
28 such as stormwater, recycled water, desalinated water, or treated  
29 water that can either be substituted for potable water or blended  
30 as part of municipal and industrial water supplies, and to increase  
31 multiple uses of water within the same watershed.

32 (c) To increase water use efficiency in California so as to  
33 contribute towards sustainable job growth and a vibrant economy  
34 for the 21st century.

35 (d) To accomplish all of these goals in a manner that provides  
36 the greatest flexibility to urban water suppliers, consistent with  
37 protecting public health, preventing environmental damage, and  
38 providing a decent home and satisfying living environment for  
39 every Californian.



1     ~~10662. The Legislature hereby finds and declares all of the~~  
2     ~~following:~~

3     ~~(a) California's growing population, periodic and serious drought~~  
4     ~~conditions, and the need to protect California's fish and wildlife~~  
5     ~~resources require that Californians adopt reasonable water~~  
6     ~~efficiency measures that improve water supply reliability.~~

7     ~~(b) Efficient water use provides significant energy and~~  
8     ~~environmental benefits, and has the potential to create new~~  
9     ~~sustainable well-paying "green-collar" jobs that cannot be~~  
10    ~~outsourced.~~

11    ~~(c) Efficient water use includes the development of alternative~~  
12    ~~local sources of water supplies, such as stormwater, recycled water,~~  
13    ~~and desalinated water and treated water, that reduce the demand~~  
14    ~~for imported water. Efficient water use also encourages multiple~~  
15    ~~uses of water within a single watershed or region.~~

16    ~~(d) Enhanced urban water management plans provide a useful~~  
17    ~~opportunity for urban water suppliers to improve water use~~  
18    ~~efficiency and water supply reliability, particularly in combination~~  
19    ~~with statewide oversight and state funding for promising programs.~~

20    ~~(e) Efficient water management in California requires that urban~~  
21    ~~water suppliers attempt to match water quality to the requirements~~  
22    ~~of each beneficial use.~~

23    ~~(f) The Governor's call for a 20-percent reduction in statewide,~~  
24    ~~urban per capita water use is an important component of a~~  
25    ~~comprehensive package of water management strategies necessary~~  
26    ~~to ensure sufficient water supplies for California's residential and~~  
27    ~~commercial uses.~~

28    ~~(g) The implementation of this goal should allow for flexible~~  
29    ~~implementation that provides for the option of regional or local~~  
30    ~~implementation.~~

31    ~~(h) Meeting the statewide conservation goal should be pursued~~  
32    ~~in a manner that clearly recognizes all water use efficiency efforts;~~  
33    ~~including water recycling, stormwater capture, and cooperative~~  
34    ~~efforts among agencies.~~

35    ~~(i) Existing, well-established water management planning~~  
36    ~~processes, including integrated regional water management plans,~~  
37    ~~should be utilized to provide for the most effective, cooperative,~~  
38    ~~efficient, and expedient progress toward the 20-percent statewide~~  
39    ~~goal.~~

~~(j) General statutory direction to state, regional, and local implementing agencies should allow for implementation that reflects the need to take into account unique local factors, including housing density and lot sizes, climatic conditions, the mix of commercial, industrial, and institutional uses, and year-to-year weather changes.~~

~~(k) To date, statewide conservation data is inadequate for the purpose of assessing past and ongoing conservation efforts. Standardized data collection and analysis will provide the best means for tracking progress toward the statewide conservation goal and ensuring accountability among local and regional agencies.~~

~~(l) Goals pertaining to commercial and industrial uses should recognize the very different commercial and industrial uses among regions and local agencies and should not unreasonably combine the factors of commercial uses and population. Progress toward commercial and industrial water conservation can best be achieved through the development of best management practices and local and regional engagement with local commercial and industrial operations.~~

~~(m) Any per capita water use goals should be utilized in a fair, appropriate, and productive manner at the statewide and regional level and should be applied in a manner that accounts for the unique factors associated with individual agency conditions.~~

~~(n) Water conservation and water use efficiency efforts should be undertaken for the purpose of enhancing watershed sustainability.~~

~~(o) Statutory revisions and administrative actions that provide direction for the implementation of the urban water use conservation goal should not be crafted in a manner that could affect or imperil existing water rights.~~

~~10670. (a) Unless the context requires otherwise, the definitions set forth in this section govern the construction of this chapter.~~

~~(b) “CIH” means the use of water in commercial, industrial, and institutional settings.~~

~~(c) “Potable water” means raw water that, upon treatment required to meet minimum safe drinking water standards, may be delivered to retail customers for municipal and industrial uses.~~

~~(d) “Regional water management group” has the same meaning as set forth in Section 10539.~~

1 ~~(e) “Reporting agency” means either an urban water supplier~~  
2 ~~or a regional water management group acting on behalf of the~~  
3 ~~urban water suppliers within its boundaries, as authorized by~~  
4 ~~resolution of its governing board submitted to the department.~~

5 ~~(f) “Sustainable” means that an urban water supplier has~~  
6 ~~sufficient water to meet its customers’ demands during normal,~~  
7 ~~dry and multiple dry years, as set forth in Section 10635, which~~  
8 ~~supplies are being provided in compliance with applicable laws~~  
9 ~~protecting the environment.~~

10 ~~(g) “Water use efficiency” means the efficient use of water as~~  
11 ~~that term is defined in Section 10613 and includes all of the~~  
12 ~~following:~~

13 ~~(1) A reduction in the quantity of water required for a purpose~~  
14 ~~described in Section 1011.~~

15 ~~(2) A substitution of a local source of water for water imported~~  
16 ~~to the watershed.~~

17 ~~(3) The substitution or blending of recycled, desalinated water,~~  
18 ~~or treated water for or with potable water in compliance with~~  
19 ~~applicable law.~~

20 ~~(4) Making multiple uses of the same water within a region or~~  
21 ~~watershed.~~

22 ~~(5) Substituting or blending waters of different quality so as to~~  
23 ~~better match the quality of water with the requirements of each~~  
24 ~~beneficial use.~~

25 ~~10671. (a) The department, in cooperation with the Public~~  
26 ~~Utilities Commission, the Energy Commission, the State~~  
27 ~~Department of Public Health, and the board, and after consultation~~  
28 ~~with the California Urban Water Conservation Council, shall jointly~~  
29 ~~develop and manage a water use information program referred to~~  
30 ~~as the California Water Supply Database.~~

31 ~~(b) Each urban water supplier, beginning no later than March~~  
32 ~~1, 2011, and annually thereafter, shall collect all of the following~~  
33 ~~data on its operations for the prior calendar year:~~

34 ~~(1) The data included in the department’s form 38, “Public~~  
35 ~~Water System Statistics.”~~

36 ~~(2) The total population within the urban water supplier’s service~~  
37 ~~area, as determined by United States Census Bureau.~~

38 ~~(3) The total quantities of stormwater, recycled water, treated~~  
39 ~~groundwater, desalinated seawater, water previously used within~~  
40 ~~the watershed, and other alternative sources of water that are~~

1 delivered to customers or stored either in surface reservoirs or  
2 underground for future use.

3 (4) ~~Assuming not more than 70 gallons per capita per day of~~  
4 ~~indoor water use, the estimated quantity of water used for outdoor~~  
5 ~~landscape irrigation expressed as a percentage of reference~~  
6 ~~evapotranspiration for the urban water supplier's service area based~~  
7 ~~on historic CIMIS data as outlined in the State Landscape Model~~  
8 ~~Ordinance.~~

9 (e) ~~If metered data are not available for the purposes of~~  
10 ~~complying with subdivision (b), the urban water supplier shall use~~  
11 ~~its best estimate of requested quantities, using reasonable~~  
12 ~~professional methods, and shall provide a brief summary of the~~  
13 ~~methodology with the data.~~

14 (d) ~~Wholesale urban water suppliers may, upon agreement of~~  
15 ~~the retail urban water suppliers in the wholesale urban water~~  
16 ~~supplier's service area, collect and report aggregate data from retail~~  
17 ~~urban water suppliers.~~

18 (e) ~~The department shall complete the development of the~~  
19 ~~California Urban Water Supply Database and make it available to~~  
20 ~~the public on the department's Internet Web site no later than~~  
21 ~~January 1, 2012.~~

22 (f) ~~The California Urban Water Supply Database Program shall~~  
23 ~~allow for the electronic submission and dissemination of water~~  
24 ~~supply data relating to all urban areas in California. The department~~  
25 ~~shall adopt guidelines for the submission of this data no later than~~  
26 ~~July 1, 2012.~~

27 (g) ~~Each urban water supplier, beginning no later than March~~  
28 ~~1, 2013, and annually thereafter, shall electronically submit the~~  
29 ~~data described in this section for the prior calendar year to the~~  
30 ~~department for input into the California Urban Water Supply~~  
31 ~~Database. The data shall be incorporated into the urban water~~  
32 ~~supplier's subsequent urban water management plans.~~

33 (h) ~~As part of the collection and submission of data pursuant to~~  
34 ~~this section, the urban water supplier shall provide an estimate of~~  
35 ~~the accuracy of the measurements of water deliveries and identify~~  
36 ~~known potential sources of error.~~

37 (i) ~~Each urban water supplier may also submit an estimate of~~  
38 ~~the energy savings associated with the use of stormwater, recycled~~  
39 ~~water, and other alternative sources of water as part of the annual~~  
40 ~~collection and submission of data pursuant to this section. The~~

1 department, after consultation with the Public Utilities  
2 Commission, the Energy Commission, the State Department of  
3 Public Health, and the board, may provide guidance to urban water  
4 suppliers in calculating the energy savings.

5 (j) Information collected and submitted to the department  
6 pursuant to this section shall include a certification, executed under  
7 penalty of perjury, by the general manager or chief executive  
8 officer of the reporting agency that the report accurately and fairly  
9 reflects activities within the reporting agency's service area during  
10 the prior calendar year.

11 (k) Each urban water supplier shall pay an annual reporting fee  
12 to the department, imposed by the department, that shall not exceed  
13 five thousand dollars (\$5,000). The fee shall be consistent with all  
14 applicable legal requirements for imposing fees, including the  
15 requirements set forth in *Sinclair Paint Co. v. State Board of*  
16 *Equalization* (1997) 15 Cal.4th 866. The department shall randomly  
17 select 5 percent of the reports for an independent audit, which shall  
18 be conducted by a firm or entity having expertise in evaluating  
19 urban water efficiency. Each audit shall be subject to peer review  
20 by a panel of experts selected by the Association of California  
21 Water Agencies, the California Urban Water Conservation Council,  
22 and the department if the reporting agency so requests.

23 10672. (a) Each urban water supplier shall adopt and  
24 commence the implementation of the applicable best management  
25 practices identified by the California Urban Water Conservation  
26 Council no later than December 31, 2012.

27 (b) Each urban water supplier shall develop and implement the  
28 plans and reports described in subdivisions (l) and (m) of Section  
29 10631, unless that urban water supplier engages in extraordinary  
30 water use efficiency, defined as using less than 70 gallons per  
31 capita per day for single family indoor residential use and less than  
32 70 percent of reference evapotranspiration as determined by historic  
33 CIMIS data as outlined in the State Landscape Model Ordinance.

34 (c) In calculating progress towards the targets established in  
35 subdivisions (l) and (m) of Section 10631, "potable water" does  
36 not include any of the following:

37 (1) The substitution of a local source of water for water imported  
38 to the watershed.

~~(2) Substitution or blending of recycled or desalinated water or treated water for or with potable water in a manner that complies with minimum safe drinking water requirements, if applicable.~~

~~(3) Making multiple uses of the same water within a region or watershed, to the extent that the agency can demonstrate, based on substantial evidence, that the water used by the agency is also used by other urban water suppliers in the watershed.~~

~~(d) (1) If an urban water supplier fails to meet an interim milestone identified in its plan to meet either the 2020 or 2030 targets described in subdivisions (l) and (m) of Section 10631, it shall report its failure to the department on the following March 1.~~

~~(2) The urban water supplier, within 90 days thereafter, shall submit a plan to the department to meet the next interim milestone. If the urban water supplier fails to meet that interim milestone, it is ineligible for funding from the state awarded or administered by the department, the board, or the California Bay-Delta Authority until the urban water supplier satisfies an interim milestone in a timely manner, provided that the urban water supplier shall have a minimum of two years from the date on which it submits the plan to the department to meet the next interim milestone.~~

~~(3) The department shall maintain a registry of urban water suppliers that have failed to meet interim milestones and a registry of urban water suppliers that are ineligible for funding from the State of California for failure to make appropriate progress towards the water use efficiency targets.~~

~~(e) Each urban water supplier, no later than December 31, 2012, shall adopt and commence the implementation of those best management practices recommended by the task force described in Section 10674 that the urban water supplier, after consultation with CII organizations within its service area, determines can be feasibly implemented inside its service area to contribute to the statewide goal of reducing CII water use to the extent recommended by the task force.~~

~~10673. (a) Regional water management groups may submit data to the California Urban Water Supply Database as required by Section 10671 on behalf of member urban water suppliers according to the schedule that applies to individual urban water suppliers. The data may be aggregated for the entire area served~~

1 by the regional water management group but shall also provide  
2 data for each urban water supplier.

3 (b) A regional water management group, by resolution of its  
4 governing board that is submitted to the board and the department,  
5 may elect to report progress towards the water use efficiency targets  
6 set forth in Section 10631 and to implement the requirements of  
7 Section 10672 as if the regional water management group were a  
8 single organization. In that case, the data required by Section 10631  
9 shall be submitted both for each member urban water supplier and  
10 for the regional water management group as a whole but the board  
11 shall only calculate progress towards the water efficiency targets  
12 for the regional water management group as a whole.

13 (c) Notwithstanding any other provision of law, the board or  
14 the department, as applicable, shall award regional water  
15 management groups preference points equal to 20 percent of the  
16 total available points in any competitive grant program  
17 administered by the board or the department. The preference points  
18 awarded under this section shall only be awarded if the projects  
19 that would be funded are identified in the integrated regional water  
20 management plan adopted by the regional water management  
21 group.

22 (d) Notwithstanding any other provision of law, rural  
23 communities and disadvantaged communities shall be eligible to  
24 receive preference points equal to the maximum preference points  
25 allocated by either the board or the department pursuant to  
26 subdivision (c).

27 10674. (a) The board and the department, no later than April  
28 1, 2010, shall convene a task force consisting of experts to develop  
29 best management practices for the CH sector that are intended to  
30 result in a statewide target of at least a 10-percent reduction in  
31 potable water use in the CH sector by 2020 as compared to  
32 statewide water use in 2000.

33 (b) The task force shall be composed of representatives of the  
34 board, the department, urban water suppliers located in all of the  
35 regions used as part of the California Water Plan task force, trade  
36 groups representing the CH sector, and environmental groups.  
37 Members of the task force shall be selected by the director, after  
38 consultation with the chairperson of the board. Operations of the  
39 task force may be funded by the participants, or by the California  
40 Urban Water Conservation Council. The task force shall submit a

1 report to the board and the department no later than April 1, 2011.  
2 The director, after consultation with the chairperson of the board,  
3 may designate a chairperson of the task force. Any recommendation  
4 of the task force shall be endorsed by all participants.

5 (e) The task force report shall include a discussion of at least  
6 the following subjects:

7 (1) Metrics that are appropriate for use in evaluating the use of  
8 water in the CH sector:

9 (2) An evaluation of the appropriate quantities of water needed  
10 for cooling in manufacturing processes:

11 (3) An evaluation of the appropriate quantities of water needed  
12 as an ingredient in manufactured goods or for use in the  
13 manufacturing process:

14 (4) The cost-effectiveness of water use efficiency measures in  
15 the CH sector:

16 (5) An evaluation of the potential use of stormwater, recycled  
17 water, treated water, desalinated water, or other alternative sources  
18 of water in the CH sector, together with appropriate credits for that  
19 use:

20 (6) An evaluation of the manner in which regional projects could  
21 provide significant supplies of stormwater, recycled water, treated  
22 water, desalinated water, or other alternative sources of water to  
23 the CH sector:

24 (7) An evaluation of the need for offsite public infrastructure  
25 to provide significant supplies of stormwater, recycled water,  
26 treated water, desalinated water, or other alternative sources of  
27 water to the CH sector:

28 (8) The economic viability of any proposals developed by the  
29 task force and whether these proposals would create sustainable  
30 “green-collar” jobs:

31 (9) An evaluation of institutional and economic barriers to  
32 increased water use efficiency in the CH sector:

33 (10) An evaluation of whether it is feasible to reduce water use  
34 in the CH sector by at least 10 percent by 2020 and, if the reduction  
35 is feasible, whether that reduction would be in the public interest:

36 (11) The identification of appropriate best management practices  
37 that should be implemented in order to achieve a feasible reduction  
38 in water use in the CH sector that is consistent with the public  
39 interest:



1 ~~(e) The task force report shall also evaluate the feasibility and~~  
2 ~~cost-effectiveness of encouraging commercial, industrial, and~~  
3 ~~institutional facilities to implement best management practices~~  
4 ~~that can readily be transferred from the residential setting to~~  
5 ~~commercial or institutional settings, including the use of~~  
6 ~~high-efficiency toilets, low-flow showerheads, “smart” irrigation,~~  
7 ~~controllers, and climate-appropriate landscaping.~~

8 ~~10675. (a) Any improvements in water use efficiency included~~  
9 ~~in this program shall be considered to be water conservation subject~~  
10 ~~to the protections of Section 1011.~~

11 ~~(b) Data relating to water use efficiency and reports prepared~~  
12 ~~pursuant to this chapter shall not be admissible as evidence that~~  
13 ~~any person has failed to comply with Section 2 of Article X of the~~  
14 ~~California Constitution or Section 100. The data and reports shall~~  
15 ~~not be used as part of any action by the department or the board~~  
16 ~~pursuant to Section 275.~~

17 ~~(c) An urban water supplier’s failure to meet any interim~~  
18 ~~milestone towards the 2020 or 2030 water use efficiency targets~~  
19 ~~established in subdivisions (l) and (m) of Section 10631 or to meet~~  
20 ~~either the 2020 or 2030 water use efficiency targets established in~~  
21 ~~those subdivisions shall not be admissible as evidence that any~~  
22 ~~person has failed to comply with Section 2 of Article X of the~~  
23 ~~California Constitution or Section 100. The failure to meet these~~  
24 ~~milestones or targets shall not be used as part of any action by the~~  
25 ~~department or the board pursuant to Section 275.~~

26 ~~SEC. 3. No reimbursement is required by this act pursuant to~~  
27 ~~Section 6 of Article XIII B of the California Constitution because~~  
28 ~~the only costs that may be incurred by a local agency or school~~  
29 ~~district will be incurred because this act creates a new crime or~~  
30 ~~infraction, eliminates a crime or infraction, or changes the penalty~~  
31 ~~for a crime or infraction, within the meaning of Section 17556 of~~  
32 ~~the Government Code, or changes the definition of a crime within~~  
33 ~~the meaning of Section 6 of Article XIII B of the California~~  
34 ~~Constitution.~~

35 *(l) (1) Each urban water supplier or, upon resolution of its*  
36 *governing board submitted to the department, each regional water*  
37 *management group acting on behalf of the urban water suppliers*  
38 *within the group’s boundaries, shall develop and implement a*  
39 *water use efficiency and efficient water resources management*

1 *plan unless that urban water supplier engages in extraordinary*  
2 *water use efficiency as defined in subdivision (d) of Section 10663.*

3 *(2) A water use efficiency and efficient water resources*  
4 *management plan shall accomplish one or more of the following:*

5 *(A) Reduce residential per capita potable water use by 20*  
6 *percent by 2020 as compared to water use in 2000.*

7 *(B) Reduce total residential potable water use by 2020 by a*  
8 *total of 20 percent as compared to the 2020 projection in the*  
9 *agency's 2005 urban water management plan, which reduction*  
10 *shall include water conservation measures already included in the*  
11 *2005 urban water management plan.*

12 *(C) Achieve, by 2020, extraordinary water use efficiency as*  
13 *defined in subdivision (d) of Section 10663.*

14 *(3) The plan shall include interim milestones for each*  
15 *even-numbered year for progress towards achieving the 2020*  
16 *water use efficiency and efficient water resources management*  
17 *target as required by paragraph (2).*

18 *(4) Every two years, each reporting agency shall report its*  
19 *progress toward reaching the 2020 water use efficiency and*  
20 *efficient water resources management target. The reporting agency*  
21 *shall include in the report, and in its urban water management*  
22 *plan or its report to the California Urban Water Conservation*  
23 *Council, the following information:*

24 *(A) The data included in the department's form 38 entitled*  
25 *"Public Water System Statistics."*

26 *(B) The total population within the urban water supplier's*  
27 *service area, as determined by the United States Census Bureau.*

28 *(C) The total quantities of stormwater, recycled water, treated*  
29 *groundwater, desalinated seawater, water previously used within*  
30 *the watershed, and other alternative sources of water that are*  
31 *delivered to customers or stored either in surface reservoirs or*  
32 *underground for future use.*

33 *(D) Assuming not more than 70 gallons per capita per day of*  
34 *indoor water use, the estimated quantity of water used for outdoor*  
35 *landscape irrigation expressed as a percentage of reference*  
36 *evapotranspiration for the urban water supplier's service area*  
37 *based on historic CIMIS data as outlined in the state's model water*  
38 *efficient landscape ordinance.*

39 *(5) Each reporting agency may evaluate progress in*  
40 *implementing the plan by using the metrics it considers to be most*

1 *appropriate for its circumstances. In calculating progress towards*  
2 *the 2020 water use efficiency and efficient water resources*  
3 *management target, an urban water supplier may offset its use of*  
4 *potable water by the quantities of water used as part of efficient*  
5 *water resources management as defined in subdivision (c) of*  
6 *Section 10663.*

7 *(6) The 2020 water use efficiency and efficient water resources*  
8 *management target shall replace previous qualification standards*  
9 *related to meeting water conservation requirements.*

10 *(7) If an urban water supplier fails to meet an interim milestone*  
11 *identified in its plan, it shall report its failure to the department*  
12 *on the following March 1. The urban water supplier, within 90*  
13 *days thereafter, shall submit a plan to the department to meet the*  
14 *next interim milestone. If the urban water supplier fails to meet*  
15 *that interim milestone, it shall be subject to a penalty of 20 percent*  
16 *of available points in any competitive grant or loan program*  
17 *awarded or administered by the department, the board, or the*  
18 *California Bay-Delta Authority until the urban water supplier*  
19 *satisfies an interim milestone in a timely manner, provided that*  
20 *the urban water supplier shall have a minimum of two years from*  
21 *the date on which it submits the plan to the department to meet*  
22 *the next interim milestone.*

23 *SEC. 2. Chapter 5 (commencing with Section 10660) is added*  
24 *to Part 2.6 of Division 6 of the Water Code, to read:*

25  
26 *CHAPTER 5. URBAN WATER EFFICIENCY*  
27

28 *10660. This chapter shall be known and may be cited as the*  
29 *Comprehensive Urban Water Efficiency Act of 2009.*

30 *10661. In enacting this chapter, the Legislature intends to*  
31 *accomplish all of the following purposes:*

32 *(a) To increase urban and residential water use efficiency and*  
33 *efficient water resources management in California in order to*  
34 *improve water supply reliability in light of periodic drought and*  
35 *population growth.*

36 *(b) To encourage the efficient use of local sources of water,*  
37 *such as stormwater, recycled water, desalinated water, or treated*  
38 *water that can either be substituted for potable water or blended*  
39 *as part of municipal and industrial water supplies, and to increase*  
40 *multiple uses of water within the same watershed.*

1     (c) *To increase water use efficiency and efficient water resources*  
2 *management in California to contribute to sustainable job growth*  
3 *and a vibrant economy for the 21st century.*

4     10662. *The Legislature hereby finds and declares all of the*  
5 *following:*

6     (a) *California's growing population, periodic and serious*  
7 *drought conditions, and the need to protect California's fish and*  
8 *wildlife resources require that Californians adopt reasonable*  
9 *water efficiency measures that improve water supply reliability.*

10    (b) *Efficient water use includes the development of alternative*  
11 *local sources of water supplies, such as stormwater, recycled*  
12 *water, desalinated water, and treated water, that reduce the*  
13 *demand for imported water. Efficient water use also encourages*  
14 *multiple uses of water within a single watershed or region.*

15    (c) *Efficient water management in California requires that urban*  
16 *water suppliers attempt to match water quality to the requirements*  
17 *of each beneficial use.*

18    (d) *The Governor's call for a 20-percent reduction in statewide,*  
19 *urban per capita water use is an important component of a*  
20 *comprehensive package of water management strategies necessary*  
21 *to ensure sufficient water supplies for California's residential and*  
22 *commercial uses.*

23    (e) *The implementation of this goal should allow for flexible*  
24 *implementation that provides for the option of regional or local*  
25 *implementation.*

26    (f) *Existing, well-established water management planning*  
27 *processes, including integrated regional water management plans,*  
28 *should be utilized to provide for the most effective, cooperative,*  
29 *efficient, and expedient progress toward the 20-percent statewide*  
30 *goal.*

31    (g) *General statutory direction to state, regional, and local*  
32 *implementing agencies should allow for implementation that*  
33 *reflects the need to take into account unique local factors, including*  
34 *housing density and lot sizes, climatic conditions, the mix of*  
35 *commercial, industrial, and institutional uses, and year-to-year*  
36 *weather changes.*

37    (h) *To date, statewide water conservation data is inadequate*  
38 *for the purpose of assessing past and ongoing conservation efforts.*  
39 *Standardized data collection and analysis will provide the best*  
40 *means for tracking progress toward the statewide water*

1 *conservation goal and ensuring accountability among local and*  
2 *regional agencies.*

3 *(i) Goals pertaining to commercial and industrial water uses*  
4 *should recognize the very different commercial and industrial uses*  
5 *among regions and local agencies and should not unreasonably*  
6 *combine the factors of commercial uses and population. Progress*  
7 *toward commercial and industrial water conservation can best be*  
8 *achieved through the development of best management practices*  
9 *and local and regional engagement with local commercial and*  
10 *industrial operations.*

11 *(j) Any per capita water use goals should be utilized in a fair,*  
12 *appropriate, and productive manner at the statewide and regional*  
13 *level and should be applied in a manner that accounts for the*  
14 *unique factors associated with individual agency conditions.*

15 *(k) Water use efficiency and efficient water resources*  
16 *management efforts should be undertaken for the purpose of*  
17 *enhancing watershed sustainability.*

18 *(l) Statutory revisions and administrative actions that provide*  
19 *direction for the implementation of the urban water use*  
20 *conservation goal should be crafted in a manner that will not affect*  
21 *or imperil existing water rights.*

22 *10663. (a) Unless the context requires otherwise, the*  
23 *definitions set forth in this section govern the construction of this*  
24 *chapter.*

25 *(b) “CII” means the use of water in commercial, industrial, and*  
26 *institutional settings.*

27 *(c) “Efficient water resources management” means the use of*  
28 *alternative sources of water that make the most efficient use of*  
29 *potable or imported water, such as the capture of stormwater or*  
30 *rainwater; the use of recycled water; the desalination of brackish*  
31 *groundwater; the conjunctive use of surface water and groundwater*  
32 *in a manner that is consistent with the safe yield of the groundwater*  
33 *basin, the reuse of water multiple times in a watershed, provided*  
34 *that the total credits for that water do not exceed the quantity of*  
35 *water reused, or the matching of water quality with the needs of*  
36 *a specific water use.*

37 *(d) “Extraordinary water use efficiency” means either of the*  
38 *following:*

39 *(1) The use of less than 70 gallons per person per day for indoor*  
40 *residential uses, or other standard for indoor residential uses that*

1 *may be adopted by the California Urban Water Conservation*  
2 *Council.*

3 *(2) The use of less than 70 percent of reference*  
4 *evapotranspiration as determined by historic CIMIS data as*  
5 *outlined in the state's model water efficient landscape ordinance*  
6 *for outdoor residential uses.*

7 *(e) "Potable water" means raw water that, upon treatment*  
8 *required to meet minimum safe drinking water standards, may be*  
9 *delivered to retail customers for municipal and industrial uses.*

10 *(f) "Regional water management group" has the same meaning*  
11 *as set forth in Section 10539.*

12 *(g) "Reporting agency" means either an urban water supplier*  
13 *or a regional water management group acting on behalf of the*  
14 *urban water suppliers within its boundaries, as authorized by*  
15 *resolution of its governing board submitted to the department.*

16 *(h) "Water use efficiency" means the efficient use of water as*  
17 *that term is defined in Section 10613.*

18 *10664. (a) A regional water management group may, with the*  
19 *consent of member urban water suppliers, submit the data required*  
20 *by Section 10631 on behalf of member urban water suppliers,*  
21 *according to the schedule that applies to individual urban water*  
22 *suppliers. The data may be aggregated for the entire area served*  
23 *by the regional water management group but shall also provide*  
24 *data for each urban water supplier that is a member of the group.*

25 *(b) Notwithstanding any other provision of law, the board or*  
26 *the department, as applicable, shall award regional water*  
27 *management groups preference points equal to 20 percent of the*  
28 *total available points in an integrated regional water management*  
29 *planning competitive grant program administered by the board*  
30 *or the department. The preference points awarded under this*  
31 *section shall only be awarded to projects that are identified in the*  
32 *integrated regional water management plan adopted by the*  
33 *regional water management group.*

34 *10665. (a) The board and the department, not later than April*  
35 *1, 2010, shall convene a task force consisting of experts to develop*  
36 *for the CII sector best management practices that are intended to*  
37 *result in a statewide target of at least a 10-percent reduction in*  
38 *potable water use in the CII sector by 2020 as compared to*  
39 *statewide water use by that sector in 2000.*

1     ***(b) The task force shall be composed of representatives of the***  
2 ***board, the department, urban water suppliers located in all of the***  
3 ***regions used as part of the California Water Plan task force, trade***  
4 ***groups representing the CII sector, and environmental groups.***  
5 ***Members of the task force shall be selected by the director, after***  
6 ***consultation with the chairperson of the board. Operations of the***  
7 ***task force may be funded by the participants, or by the California***  
8 ***Urban Water Conservation Council. The task force shall submit***  
9 ***a report to the board and the department no later than April 1,***  
10 ***2011. The director, after consultation with the chairperson of the***  
11 ***board, may designate a chairperson of the task force. Any***  
12 ***recommendation of the task force shall be endorsed by all members***  
13 ***of the task force.***

14     ***(c) The task force report shall include a discussion of at least***  
15 ***the following subjects:***

16         ***(1) Metrics that are appropriate for use in evaluating the use***  
17 ***of water in the CII sector.***

18         ***(2) An evaluation of the appropriate quantities of water needed***  
19 ***for cooling in manufacturing processes.***

20         ***(3) An evaluation of the appropriate quantities of water needed***  
21 ***as an ingredient in manufactured goods or for use in manufacturing***  
22 ***processes.***

23         ***(4) The cost-effectiveness of water use efficiency and efficient***  
24 ***water resources management measures in the CII sector.***

25         ***(5) An evaluation of the potential use of stormwater, recycled***  
26 ***water, treated water, desalinated water, or other alternative***  
27 ***sources of water in the CII sector, together with appropriate credits***  
28 ***for that use.***

29         ***(6) An evaluation of the manner in which regional projects***  
30 ***could provide significant supplies of stormwater, recycled water,***  
31 ***treated water, desalinated water, or other alternative sources of***  
32 ***water to the CII sector.***

33         ***(7) An evaluation of the need for offsite public infrastructure***  
34 ***to provide sufficient supplies of stormwater, recycled water, treated***  
35 ***water, desalinated water, or other alternative sources of water to***  
36 ***the CII sector.***

37         ***(8) The economic viability of any proposals developed by the***  
38 ***task force and whether these proposals would create sustainable***  
39 ***green collar jobs.***

1     (9) An evaluation of institutional and economic barriers to  
2     increased water use efficiency and efficient water resources  
3     management in the CII sector.

4     (10) An evaluation of whether it is feasible to reduce water use  
5     statewide in the CII sector by at least 10 percent by 2020 and, if  
6     the reduction is feasible, whether that reduction would be in the  
7     public interest.

8     (11) The identification of appropriate best management  
9     practices that should be implemented in order to achieve a feasible  
10    reduction in water use statewide in the CII sector that is consistent  
11    with the public interest.

12    (d) The task force report shall also evaluate the feasibility and  
13    cost-effectiveness of encouraging commercial, industrial, and  
14    institutional facilities to implement best management practices  
15    that can readily be transferred from residential settings to  
16    commercial or institutional settings, including the use of  
17    high-efficiency toilets, low-flow showerheads, smart irrigation  
18    controllers, and climate-appropriate landscaping.

19    10666. It is the intent of the Legislature that this chapter be  
20    implemented to protect the water rights of agencies subject to this  
21    chapter and that this chapter not be used to reallocate water from  
22    those persons holding water rights as of the effective date of this  
23    chapter. To implement this intent all of the following shall apply:

24    (a) Any improvements in water use efficiency and efficient water  
25    resources management achieved by implementing this chapter  
26    shall be considered to be water conservation subject to the  
27    protections of Section 1011.

28    (b) Data relating to water use efficiency and efficient water  
29    resources management and reports prepared pursuant to this  
30    chapter shall not be admissible as evidence that any person has  
31    failed to comply with Section 2 of Article X of the California  
32    Constitution or Section 100. The data and reports shall not be  
33    used as part of any action by the department or the board pursuant  
34    to Section 275.

35    (c) An urban water supplier's failure to meet any interim  
36    milestone of the 2020 water use efficiency and efficient water  
37    resources management target established in subdivision (l) of  
38    Section 10631 or to meet the 2020 water use efficiency and efficient  
39    water resources management target established in subdivision (l)  
40    of Section 10631 shall not be admissible as evidence that any



1 *person has failed to comply with Section 2 of Article X of the*  
2 *California Constitution or Section 100. The failure shall not be*  
3 *used as part of any action by the department or the board pursuant*  
4 *to Section 275.*

5 *10667. This chapter shall be liberally construed to achieve its*  
6 *purpose, specifically achieving the water efficiency and efficient*  
7 *water resource management goal set forth in subdivision (l) of*  
8 *Section 10631 in a manner that provides the greatest possible*  
9 *flexibility and discretion to local agencies and that protects water*  
10 *rights to the fullest extent possible.*

O